



Upstream

Petroleum Management, Inc.

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Englewood, CO 80112
phone 303.942.0506
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Brighton Lakes LLC
200 W. Hampden Ave., Suite 201
Englewood, CO 80110

February 27, 2017

RE: Rule 318.A.a. and 318A.c. Exception Location Request

PetroShare Corporation

Brighton Lakes 20-17 Well Pad

Brighton Lakes 20-17-1CDH

Brighton Lakes 20-17-1NCH

Brighton Lakes 20-17-1NBH

Brighton Lakes 20-17-1NAH

Sec. 20 T1S R66W (SE/4 SW/4)

Adams County, Colorado

Surface: Fee

Mineral Lease: Fee

Brighton Lakes 20-17-2NBH

Brighton Lakes 20-17-2NCH

Brighton Lakes 20-17-3NBH

Brighton Lakes 20-17-2CDH

Dear Mr. Richardson:

PetroShare Corporation (PetroShare) intends to apply to the Colorado Oil and Gas Conservation Commission (COGCC) to drill the above referenced wells at the described surface locations. COGCC Rule 318.A.a. stipulates that a Greater Wattenberg Area (GWA) well surface location must be within a 400' by 400' drilling window located at the center of each quarter-quarter section, or inside a 800' by 800' drilling window located at the center of each quarter section. The above referenced wells fall outside of these drilling windows. As you are aware, the surface locations were chosen in concurrence with your wishes, as the surface owner due to topography and maximize future land use possibilities. The location was also chosen in cooperation with another operator that has permitted a location on the same parcel and in close proximity to the above referenced well pad. The two locations will share an access road.

Additionally, COGCC Rule 318A.c. stipulates that a GWA well surface location shall not be less than 50' from an existing well. As planned, these surface locations are greater than 50' from an existing well.

Per COGCC Rules, PetroShare is required to obtain surface owner approval of these locations as they do not conform to COGCC GWA Rules. Should you find these exceptions acceptable, please sign the space provided below.

By approving this matter, we anticipate COGCC granting PetroShare a location exception waiver to Rule 318A.a. and Rule 318A.c. allowing the location to be outside the COGCC GWA spacing rules.

Your Assets / Our Expertise

- Regulatory
- Storm-water Management Plans
- Project Coordination
- Permitting
- Government Relations
- EA/EIS Assistance

Mr. Michael Richardson
February 27, 2017
Page 2

Please contact me at 303-942-0506 or at agross@upstreampm.com if you have any questions.

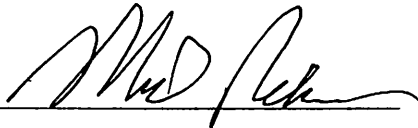
Sincerely,



Andrea Gross
Permit Agent for PetroShare Corp

By signing below, you acknowledge the agreed upon surface location of the well locations as staked and grant the waiver to COGCC Rule 318A.a and 318A.c granting that these wells may be drilled as planned.

Sign: _____



Mr. Michael Richardson

Date: 2.28.17